

APPROVED MINUTES of the Regular Meeting of the City Council of the City of Rye held in City Hall on April 29, 2009 at 8:00 P.M.

PRESENT:

STEVEN OTIS, Mayor
ANDREW C. BALL
MACK CUNNINGHAM
PAULA J. GAMACHE
CATHERINE F. PARKER
GEORGE S. PRATT
JOSEPH A. SACK
Councilmembers

ABSENT: None

The meeting convened at 7:05 p.m. Mayor Otis made a motion, seconded by Councilman Cunningham and unanimously carried to adjourn into Executive Session at 7:06 p.m. to discuss a personnel matter. No votes were taken. Councilman Cunningham made a motion, seconded by Councilwoman Parker and unanimously carried, to adjourn the Executive Session at 8:15 p.m. The regular meeting reconvened at 8:17 p.m.

1. Pledge of Allegiance

Mayor Otis called the meeting to order and invited the Council to join in the Pledge of Allegiance.

2. Roll Call

Mayor Otis asked the City Clerk to call the roll; a quorum was present to conduct official city business.

Announcements

Mayor Otis began the meeting by noting the passing of two individuals who had made contributions to the Rye community. Former Councilman John Twomey, who was very involved in flood issues during his time on the Council, but was also active in the Fire Department, Little League and Rotary. Alma Cox who was a figure in the Central Business District for many years and, as key member of the Chamber of Commerce, was involved in having flower baskets hung in the downtown. The Mayor offered condolences to their families.

Mayor Otis said that he had received a request from Dr. Robert Leviton for volunteers to help the participants involved in the "Robbie Pierce One Design Regatta," an event for

handicapped sailors that will be held at the American Yacht Club from June 5th through 7th. Dr. Leviton can be reached at 914-715-8102.

3. Update on the Recession Planning Task Force

Acting City Manager Culross provided an update on the activities of the Recession Planning Task Force that had been established by the Council in January in order to identify steps that could be taken during 2009 due to reduced revenues, as well as look at structural, service and manpower changes that may be necessary for 2010. Mr. Culross said that as the economy has changed over the last few months, the scope of the work has changed. The 2009 budget as adopted was \$400,000 less than the actual expenditures for the previous year. The 2009 budget uses \$2.2 million in fund balances, which was done in accordance with the City's fiscal policies but is not a sustainable practice going forward. There has been more than the expected "hit" to elastic revenues, which were budgeted at 95% of what was actually received in 2008. Interest income was forecast at 30% below 2008 and 67% below 2007 and revenue sharing was frozen at the 2007 levels. The City will have a better sense of what the sales tax revenue will be in May when the first meaningful sales tax receipts come in. Mortgage tax was budgeted to drop by 32% or \$529,000 from 2008 and it appears that they will be down by an additional \$200,000 to \$300,000. Building Department fees were forecast to drop 12.5%. During the first quarter of 2009 the fees were down 75% but will probably recover to 50% of 2008 or a deficit of \$480,000. If these economic trends continue the revenue shortfall could be about \$800,000 or 3% for 2009. The fund balance at the end of the year could be down to the 5% minimum required by City Council policy. Mr. Culross said the Council should direct the City Manager to aggressively manage the final eight months of the 2009 budget with the goal of reducing the overall expenditures this year by at least the \$800,000 projected revenue shortfall and offered the following suggestions for accomplishing the goal:

- Defer the purchase of the sewer vacuum truck and a plow/salt truck for the Public Works Department, which could save \$525,000.
- Complete the Police locker room renovation project, currently estimated at \$130,000 and budgeted to come from cash in the Building and Vehicle fund, with bond funds.
- The Library Lane traffic signal, which is budgeted at \$200,000 to come from the Building and Vehicle fund, should be paid for by bonding or alternative funding such as stimulus money.
- Take a hard look at all vacant positions and not fill them except under extraordinary circumstances.

Mr. Culross said he felt taking these actions could save \$800,000 to \$1 million dollars, but could impact service response and would impact employees. The goal would be to do the best to avoid impact to the public and preserve flexibility going forward by avoiding cutting permanent employees. The next phase would be to develop options for the City Council to look at, well in advance of the 2010 budget process. Opportunities may arise out of these circumstances such as additional interest in exploring joint service delivery options with neighboring jurisdictions; developing alternative service delivery units to develop service, and alternative ways of funding services. City staff will work with the Council to identify these options and present them to the City.

Council comment included:

- Equipment purchases that are being deferred like the sewer pump truck must eventually be acquired because they are necessary to provide services to the community.
- Stimulus money could be crucial to capital projects.
- The two-year budget process is now at least a three-year process before revenues snap back up.
- The Council must work with the Finance Committee and the community to get a dialogue going relative to critical decisions that must be made.
- The Council must set an example for the community by preserving cash to protect the taxpayers.
- Building permit revenue being down is a leading indicator of what people in the community are facing.
- The City must find a way to do what it absolutely has to do.
- There should be a dialogue with the community about what can be delayed or given up.
- A similar update should be the first item on the agenda for the immediate future.
- The City revenue comes from property tax (2/3) and elastic revenues (1/3). The majority of property tax revenue (.975 cents out of each dollar) supports the level of services through salary and benefits. Elastic revenues from state aid, sales tax, bank interest, city fees and mortgage recording tax goes up and down with the economy.
- In the past, elastic revenues have expanded with the economy and, therefore, surpluses resulted, which were used to fund capital improvement projects. Those revenues are now trending down.
- The Council must monitor cash flow through the balance of 2009 and reevaluate spending plans to determine where it is appropriate to bond or use cash for capital projects.
- The Council may have to have a dialogue with the community about what are the actual service levels that the community can afford going forward.
- No other community in Westchester has done what Rye is doing in terms of the Recession Planning Task Force to reevaluate the changing dynamic in the economy.
- The City has lowered its debt ratios in the last few years by using undesignated fund balance to pay for capital projects.
- The State funding from the Chips program that matches City funding for the annual street repaving is safe for this year because of federal stimulus money, but may not be available in the future.

4. Residents may be heard who have matters to discuss that do not appear on the agenda

Bob Zahm, 7 Ridgewood Drive, congratulated the City for the expeditious completion of the Elm Place wall project. He urged residents and the Council to contact Members of the State Legislature in opposition to the proposed MTA payroll tax, which is a redirection of the property tax from our communities and an unfunded mandate. Mayor Otis said that Senator Suzi Oppenheimer has met with Governor Patterson in opposition to the proposed tax.

John Carolin, 66 Milton Road, came to report that the Senior Golf Program set up through the Recreation Commission will begin on May 1st. Seniors who are members of the

Rye Seniors organization and at least 60 years of age are eligible. The membership rate is \$75 with a fee of \$30 per round on Thursdays from May until Labor Day with a total of ten rounds. The ten person maximum has been filled and there is a waiting list. Acting City Manager Culross said that although State funds were not received, Recreation Superintendent Sally Rogol is seeking funds from other local groups and the program is currently being funded out of the Recreation Trust that funds new programs. Councilwoman Parker said that in lieu of the State funding not coming through, she would rather the golf program not be started this year. She said that due to the economic stresses to the community, it is more important to use recreation funds to allow children to attend camp.

John Carey, 860 Forest Avenue, also acknowledged John Twomey with whom he had served on the City Council. He said that he had heard that City Manager Shew had exercised his right to call for a public hearing and asked when it would occur and said the public should be fully informed about the date and time when the hearing would be held. He presented to the Council a memorandum he had written regarding the hydrology report done on the Schubert property. He said his memo points out what he considers weak points in the hydrologist's presentation. Mayor Otis read a message he has received from Robert Schubert requesting access to City-owned property for the purpose of having his own retained hydrological expert conduct an examination. A similar request had been made to the Gates for access to their property. The Mayor indicated that the City would cooperate.

Mayor Otis announced that although it was subject to change due to attorney discussions, he would make a motion to set a hearing in the matter of City Manager Shew for 8:00 p.m. on May 4, 2009. He added that if the hearing was withdrawn, notice would be given.

Ray Tartaglione spoke about sewage systems. He said the City has the power to enforce County sewer laws on Hen Island. He showed a photograph of what he said was an above ground sewage pit located on Hen Island. He also said that the Westchester County Health Department has inspected Hen Island again but he did not anticipate a change in their position. He questioned why residents of the Island or representatives of the City were not notified of the visit. He also showed a photograph of the Greenhaven Beach, which he said was less than 450 feet from a sewage pit on Hen Island that the County Health Department has said is not polluting Long Island Sound. *Ira Goldenberg, Esq., counsel to Kuder Island Colony*, said that members of the Board of Directors of Kuder Island Colony have been in communication with the County Health Department and are awaiting the results of the inspection that was done, and have assured the Health Department that they will comply with them in every way possible.

5. Approval of the election of the Chiefs of the Rye Fire Department

In accordance with Article 13, Section 2 of the Rye City Charter, the Mayor made a motion, unanimously carried, to approve the election of George Hogben as Chief of the Rye Fire Department; Peter Cotter as 1st Assistant Chief; and Anthony Scarfone as 2nd Assistant Chief held at the Annual Fire Department meeting in April. The Mayor noted that many of the Chiefs had served the community for many years and thanked them for their service to Rye.

6. Continuation of Public hearing to amend local law Chapter 191, Vehicles and Traffic, of the Rye City Code, Section 191-38, to extend the hours of meter operation from 6:00 p.m. to 9:00 p.m.

Councilwoman Parker, who proposed the amendment, said she wanted to reference the presentation at the April 15th Council meeting by City Planner Christian Miller on the Street Scape and said that her proposal to extend the hours of meter operation was connected to helping to fund that plan, which could make the Central Business District (CBD) safer for pedestrians. She said that even in this difficult economy quarters can add up to provide money for improvements or to offset property tax increases. Currently meters are in operation for 75% of the business day and this proposal would cover the last 25% of the day, a time when the traffic coming into town does so primarily to go to the restaurants. Ms. Parker said she hoped that when the economy turns around the money from the meters will be put towards the infrastructure needs of the CBD and restore the Parking Benefit District.

Comments and questions included:

- The CBD parking study done in 2001 did not show the nightlife that presently exists in Rye due to the restaurants.
- There are 498 off street parking spaces in the CBD. If a 50% occupancy rate is used as an average for determining the number of spots that are filled during the proposed additional hours, the City could get approximately \$30,000 in additional revenue. Based on last year's tax rate where 1% equaled \$180,000, the revenue would equate to less than .15% impact to the General Fund.
- Money from the meters should be put into CBD capital improvements.
- The Parking Enforcement Officers (PEO's) who are also used as crossing guards should not be pulled away from that activity in order to enforce meter compliance in the CBD.
- What is the level of parking enforcement during the 3:00 to 6:00 p.m. hours? It will not take people long to figure out there is random enforcement from 3:00 p.m. to 9:00 p.m.
- Parking regulations are enforced. When they are enforced is not important. Most people comply with the parking regulations.
- People are more likely to comply with parking regulations during the time of the day when the see enforcement people around.
- Non-residents may not come back to restaurants in Rye if they receive a parking ticket.
- Meter operation in the evening could hurt commercial activity. The City should be promoting business.
- People who do business in the CBD during the day receive tickets but continue to come back.
- Residents pay for the parking lots with taxes and should not have to pay for parking.
- Some businesses in the CBD are in favor of the meters if the money goes back into projects such as the Street Scape plan.
- In a perfect world there would be no meters, but the additional hours of meter operation could add an extra \$40,000 of revenue.
- Commissioner Connors offered three enforcement scenarios in his memo issued in December 2008, one required hiring an additional person and two required utilizing

overtime, which would require that 12 tickets were written per shift in order to break even.

- The meters have not raised the amount of revenue estimated when they were originally proposed.
- Councilwoman Parker should be complimented for bringing up the issue and getting the Council to look at the economics of the issue.
- Increasing the meter hours hamper the restaurants' ability to prosper in tough economic times.

There being no additional comment, Mayor Otis closed the public hearing.

Councilwoman Parker made a motion, seconded by Councilman Cunningham, to adopt a local law amending Chapter 191, Vehicles and traffic, of the Rye City Code, Section 191-38 to extend the hours of meter operation from 6:00 p.m. to 9:00 p.m.

ROLL CALL:

AYES: Council members Parker and Sack
NAYS: Mayor Otis, Council members Ball, Cunningham, Gamache and Pratt
ABSENT: None

The motion was defeated by a vote of 5 to 2.

7. Discussion of obstructions in the right of way

This agenda item was deferred.

8. Resolution to grant permission to the Rye Free Reading Room to hold a free public program "Astronomy for Everyone: Size & Scale of the Universe" on the Village Green on Tuesday, May 5, 2009 from 7 p.m. to 11 p.m.

Mayor Otis made a motion, seconded by Councilman Pratt and unanimously carried, to adopt the following Resolution:

RESOLVED, that the City Council hereby grants permission to the Rye Free Reading Room to hold a free public program "Astronomy for Everyone: Size & Scale of the Universe," on the Village Green on Tuesday, May 5, 2009 from 7:00 p.m. to 11:00 p.m.

9. Miscellaneous communications and reports

There were no miscellaneous communications or reports.

10. Old Business

Councilman Cunningham requested an update on the Central Avenue Bridge Project. Assistant City Manager Pickup reported that there has been an outline of a Memorandum of Agreement with SHPO (State Historic Preservation Office) outlining the major points that need to be addressed. Much of the work has been started and it is hoped that if that Agreement is accepted it will accelerate the design review package which will be submitted for review by the DOT (Department of Transportation). The City is pushing for some action on this site for this year. Councilman Cunningham also asked Mr. Pickup to briefly summarize the projects the City is hopeful may qualify for federal stimulus money. Mr. Pickup said there is a series of projects pending for the Transportation Improvement Plan that are currently in the public comment phase and may be eligible for up to \$700,000 in stimulus money. They include: the Johnson Place sidewalk project advocated by the Safe Routes to School and Trailways Committees; improvements to the Playland Parkway/Forest Avenue intersection; improvements to the Midland Avenue/Palisade Road intersection; the Library Lane pedestrian improvement and signal improvement; and sidewalk improvements for Oakland Beach Avenue where there are currently asphalt sidewalks. If the City receives the money the projects will be "fast-tracked" to be completed during the federal fiscal year that ends on September 30th. Councilman Cunningham also offered his compliments to Mr. Pickup and City Engineer Mottarella for their work on the Elm Place repair project. Mr. Pickup added that it is hoped the City will be reimbursed from FEMA within two to three months. Mayor Otis said that in the last week he has attended two meetings related to opportunities for stimulus money to pay for capital improvements.

Mayor Otis said that he and Councilmen Cunningham and Sack had attended the meeting of the Landmarks Advisory Committee the previous week where the September 11th Memorial Gazebo project had been approved. The project next goes before the Board of Architectural Review in May and could possibly come before the City Council at the second meeting in May.

In furtherance of a discussion held at the joint meeting with the School Board, Councilman Ball asked Acting City Manager Culross to get back to the Council with the unit costs for fixed, mountable speed recording devices as well as mobile units and any estimated installations costs that would go along with them.

11. New Business

There was no new business.

12. Draft unapproved minutes of the regular meeting of the City Council held April 15, 2009 and informal minutes of the Joint Meeting of the City Council and Board of Education held on April 18, 2009

Mayor Otis made a motion, seconded by Councilman Pratt and unanimously carried, to approve the minutes of the regular meeting of the City Council held on April 15, 2009 and the informal minutes of the Joint Meeting of the City Council and Board of Education held on April 18, 2009, as amended.

13. Adjournment

There being no further business to discuss, Mayor Otis made a motion, seconded by Councilman Pratt and unanimously carried, to adjourn the meeting at 10:08 p.m.

Respectfully submitted,

Dawn F. Nodarse
City Clerk